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UNCLAS ULAANBAATAR 000532

SENSITIVE STPDTS

STATE FOR EEB/CBA - Dennis Winstead USDOC FOR ZHEN-GONG CROSS

E.O. 12958: N/A

TAGS: ABUD AMGT BEXP BTIO ECON EINV ETRD MGL

SUBJECT: 2008 BUSINESS FACILITATION INCENTIVE FUND (BFIF) FY08 PROGRAM CLOSEOUT REPORT ULAANBAATAR FOR WORLD OF CONCRETE PROJECT

Ref: State 73258

11. Please find post's closeout report for the FY 2008 BFIF-supported 2008 World of Concrete project.

12. Text of report:

Business Facilitation Incentive Fund

Project Report - FY2008

Date Submitted: December 9, 2008
Project Manager: Michael D. Richmond, Senior Commercial Specialist Office: Economic and Commercial Section, US Embassy Ulaanbaatar, Mongolia

Contact: +976-329-095; richmondmd@state.gov

Project Title: Attending World of Concrete 2008 Show in Las Vegas, Nevada, January 21-25, 2008, to promote US construction materials and equipment sales in Mongolia Introduction:

As part of its ongoing effort to promote U.S. construction goods and services sales in Mongolia, post received BFIF funds (USD 2,915.00, refer to State 5033 for fund cite information) to be used to send Commercial Assistant Ms. M. Altantsetseg to the World of Concrete (WOC), January 21-25, 2008, in Las Vegas, Nevada. Specific aims

--Provide first hand knowledge of the Mongolian market and its opportunities to US vendors.

--Facilitate commercial links among these American vendors with Mongolian and foreign firms actively building commercial, industrial, and residential structures in Mongolia. We worked with Department of Commerce and WOC organizers on match-making the delegation with U.S. manufactures attending WOC.

--Provide needed translation and interpretation services to Department of Commerce (DOC) Officers, WOC staff, Mongolian visitors, and U.S. suppliers.

BFIF Project Support:

The Business Facilitation and Investment Fund provided approximately USD 2,925 to cover air travel to and from Mongolia to Las Vegas; and three days of lodging expenses in Las Vegas.

Breakdown of actual expenses (travel voucher data to follow in separate fax and email):

USD 2,540: Roundtrip airfare from Mongolia to Las Vegas, NV 384: Six per diem days in Las Vegas, NV

USD 2,924: Total

Results of the Project:

1. Outreach to Mongolian firms

Post's commercial team aggressively researched and recruited

Mongolian construction firms. These efforts consisted of broadly distributing information on World of Concrete 2008 to over 200 construction businesses through joint promotional activities through our local partner, the Mongolian Builder's Association (MBA), and through briefings of associations and face-to-face meetings with Ulaanbaatar-based construction firms. These efforts yielded a Mongolian delegation composed of 34 individuals representing 20 firms, associations, and government of Mongolia officials. These firms were primarily interested in equipment and products related to concrete and building exteriors.

When including other exhibitions for which we supported Mongolian delegations with and without the use of BFIF funds, including the 2008 International Builders Show in Orlando Florida (20 Mongolians), Conn-Agg 2008 in Las Vegas (34 Mongolians), the 2008 Waste Management Show in Chicago (15 Mongolians), and the 2008 MINEXPO in Las Vegas (105 Mongolians), we see growth from 27 to 204 Mongolians over two years. All of this was achieved through a program we created in 2006 and continued in 2007 and 2008 with on-going support from BFIF.

## 12. Enhancing skills

As the World of Concrete was new to both the Mongolians, and the Mongolians were a new customer base to many of the attending U.S. exporters, Commercial Assistant M. Altantsetseg had to develop additional skills to facilitate trade promotion. Ms. Altantsetseg served as the delegation's semi-official English-language translator, requiring her to learn an entirely new vocabulary of construction terms and concepts related to building materials.

## 13. Export results

Following the delegation's return, our local partner, the Mongolian Builder's Association, surveyed the delegates regarding the USD 277,800 in purchases made on goods and services associated with attendance at WOC 2008:

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--USD 91,000: Air tickets from UA, hotels, food

--USD 28,000: Measuring tools and control devices

--USD 5,000: Books and stationeries

--USD 18,000: Electronic equipment

--USD 115,000: Clothes and other apparel

--USD 20,800: Jewelry

--USD 277,800: Total
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## 14. Follow-Up Activities:

Post's Commercial section has maintained contacts with the leading professional construction association, the MBA, and individual firms that we originally employed in support of CONEXPO Asia 2006, continuing in 2007 and 2008 through the exhibitions mentioned above. We are currently at work with the MBA on organizing two separate delegations for the 2009 International Builders Show in Las Vegas and the 2009 World of Concrete Show, also in Las Vegas.

The Commercial Section at the U.S. Embassy in Ulaanbaatar intends to submit a project proposal to support the attendance of the Commercial Assistant M. Altantsetseg at the World of Concrete Show in Las Vegas, February 1-6, 2009.

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